The political economy of violence: The war-system in Colombia

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Abstract:
Violence has risen in Colombia in recent years, and the political and criminal aspects of this occurence are examined.

Full Text:

Violence, in its criminal and political aspects, largely reflects the contradictory impulses set in motion by modernization and serves as an expression of the various dislocations - social, economic, psychological and cultural - which accompany that process. Violence increases when the prevailing institutions fail to mediate among the various antagonistic forces unleashed by socio-economic and political change. Colombia represents a country where violence has risen overwhelmingly in recent years, reaching extremes of both extent and duration. A phenomenon well worth scholarly attention, the subject of violence has given rise to an impressive body of literature concerned with exploring its many aspects: its causes, trajectory, and variety of manifestations (see Sanchez, 1991). However, why has violence tended not only to be maintained in Colombia, but continued to rise, in a ceaseless, ever-increasing spiral, during the 1980s and 1990s? It will be argued here that this pattern of violence has now evolved into a distinct, self-perpetuating system, with a life of its own, largely as a result of (a) the social and political contradictions generated between the 1940s and 1970s, and (b) the subsequent rise of guerrilla warfare in response.1 During the 1980s and 1990s, the war system became consolidated via expansion of its socioeconomic base: the drug trade, traffic in contraband goods, armed robberies, kidnapping for ransom, and various legal economic activities that were carried on by actors involved in the system. In this sense, the violence of the last two decades is distinctly different that of previous periods in the country's history,2 such as that of aLa

Violencia" (1946-1965) or in the conflicts of the l9th century.3

For the purposes of this article, a "system" is defined as a group of units related by specific characteristics they hold in common. The units are the elements that comprise the system, and the characteristics are the shared qualities with which they are associated. The pattern of interaction between the units constitutes the thread that ties them together in a systemic relationship (Berlinski, 1976: 3). Thus, a system is made up of a set of interconnected, interacting units (Waltz, 1979: 40). In the war system, the common thread, or pattern of interaction, that links these actors is their shared exercise of violence; in turn, it is this activity that then binds them together in a dynamic relationship on which the system is based.

The war system in Colombia grew out of three key conditions long present in the country - that help to explain, at least in part, why the violence there has been so pervasive and permanent. These conditions obtain when:

(1) the institutions, channels, and prevailing political mechanisms fail to mediate, adjudicate, or arbitrate the conflicts that arise among antagonistic social and political groups;

(2) the antagonistic actors succeed in adapting themselves to a war situation, thus providing the system with continuity and establishing a positive-sum, political economy of scale which helps make war beneficial to their interests, whether cultural, ideological, political or economic; and when

(3) the correlation of forces among the actors or groups in conflict does not allow any one group to gain hegemony over the others.

Thus, the war system survives as the product of a precarious balance of forces among the antagonists. This situation of relative equilibrium, combined with the military and political stalemate that results, permits some interests of the main actors to coincide. Depending on the nature of the political juncture, this coincidence is made manifest via policies of tacit agreement. However, this convergence of interests, manifest as a sort of "live and let live" arrangement, is not static. It can be disturbed either by a spillover from the internal dynamics of the conflict or by external factors, such as international intervention, whether economic (in the form of adjusting local markets and property relations to accommodate the needs of the local capitalist system) or political, diplomatic, or military. In system theory parlance, the Colombian case exhibits a condition of "mal social integration" coupled with "mal system integration." Social integration concerns the relationship between the individual and collectivities that act within a social system; while system integration focuses on relations between institutions and other parts of the system. The degree of integration or mal integration that exists between the parts of a system is the crucial factor that underlies the relationship (whether of order or conflict) that exists between individuals and groups (Rex, 1961; Scott, 1995: 150). The particular distinction being made here, however, views Colombia's war system as the product of mal social integration on the one hand, reinforced by mal system integration on the other. That is to

say, the mal distribution of economic and political resources between the dominant and subordinate classes (mal social integration) led to the establishment of conflicting institutions, representing different social interests and impulses. For example, the guerrilla movement is an institution that embodies one conflict group with its own distinct goals and objectives. The military, another institution with its own goals and purposes, represents the interests of the state and the dominant classes as well. Finally, the criminal organizations (organized crime) constitute a third institution that reflects or incorporates the cultural values and economic interests of certain urban groups, especially those marginalized by capitalist development.

The war system approach approximates what John Rex describes as a struggle between "conflict groups" that results in "system conflicts," i.e., one in which each conflict group is committed to specific goals and purposes that may then be given form through its own distinct social institutions. As a result, the struggle may subsequently come to involve a clash of institutions, or whole ways of life (Scott, 1995: 128). Thus the three conflict groups of our analysis - the military, the guerrillas, and organized crime - involve clashes between both institutions and ways of living that rest upon, and are supported by, a positive-sum, political economy of scale in which the benefits that accrue to each outweigh the political and economic costs incurred.

THE GENESIS OF THE WAR SYSTEM: LAND AND CONFLICT

If there is an epicenter, or flashpoint, that could have set the process leading to the war system in train it would be the conflicts that have surrounded the distribution of land in Colombia ever since it became independent, in the 19th century. And in this century, the policies of the state toward the agrarian sector have done little, if anything, either to ameliorate that conflict and/or to protect the peasant settlers (colonos) on public lands from the incursion of big ranchers and large-scale agribusiness.

This situation was only exacerbated in 1992, when tariffs on imported agricultural products were reduced (from 31.5% to 15%) and overvaluation of the peso led to a large inflow of capital, particularly since the policies of such state institutions as the Instituto Colombiano de Reforma Agraria (INCORA) and the Caja Agraria (Agrarian Bank) did little to assist or remedy the economic plight of small peasants. Another aggravating factor was the lack of official means for negotiating land titles and resolving disputes. INCORA was not empowered to settle conflicts that arose over the titles to public lands, let alone adjudicate disputes over land boundaries or regulate capitalist expansion in a country which had been plagued by conflicts over land for most of its post-independence history. Finally, INCORA's modest progress in redistributing land during the 1960-1988 period was undermined by the agrarian counter-reform, which was itself the result of narcotraffickers buying up or adding to their landholdings; the latter bought more land within just a few years than INCORA had managed to do over 25 years (World Bank, 1994: 130).

For its part, the Agrarian Bank became the favored instrument for dispensing patronage, a practice marked by flagrant favoritism. Due to its relatively high interest rates and stiff requirements for loan eligibility, the Bank's loans went primarily to benefit the large

landowners and/or clients of the dominant social groups.4 Thus the old grievances of the peasants were compounded by new ones, i.e. the inability (or unwillingness) of the state to address their age-old, deep-rooted problems.

As most studies suggest, the situation of the peasants has deteriorated since the 1980s, and the government has failed to take steps to ameliorate it (Molano,1992;Jaramillo,1994). The upshot has been that the fortunes of the small (and even medium-sized) peasant property owner have steadily declined as a consequence of more open markets and lower protective tariffs. This has undoubtedly aided the expansion of the guerrilla movement and also led to an increase in the number of peasants with links to the illegal drug economy.5

Even in those areas which had, up until recently, enjoyed some measure of security (such as the coffee-growing regions), the small coffee-growers found themselves hard hit in the last few years by the decline in the world price of coffee, high production costs (produced by overvaluation of the peso), and by a worm that inflicted severe damage on their crops. Since 1989, the average earnings of the coffee growers have dropped by almost 50% (Mercer, 1996).

It has been these conditions which have enabled the guerrilla movement - the Coordinadora Nacional Guerrillera (CGN)6 and, in particular, the Fuerzas Armadas Revolucionaria Colombianas(FARC), its strongest member - to find increased support in areas that had formerly been beyond reach. For example, during the strikes of 1995 and 1996, political activists connected to the CGN were instrumental in organizing protest movements, made up of small peasants, in Ibaque, Manizales, Caqueta, and elsewhere.7

Both the presence of the CGN and support for its activities have increased noticeably in the areas of colonization. For example, in 1983 the CGN presence was registered in 62% of the municipalities of internal colonization and in 44% of the border areas with rain forests. Today, the CGN presence has been extended to encompass 93% of the former and 79% of the latter (El Tiempo,1995d). These are areas where the conflict between landless peasants and large landowners, who are adding to their holdings, is particularly acute.

Table 1 shows the increase in number of fighters and battle fronts that occurred between 1991 and 1994. In 1982, the FARC, largest of the guerrilla groups, operated on only 15 fronts with many fewer fighters; by 1994 this figure had risen to 60, and by 1996 it was up to 66 fronts. Each front consists of about 100-200 combatants (figures from Semana, 1997: 48). This big increase coincided with the economic crisis of the rural sector and accompanied the growth of the CGN's economic activities, as it expanded into areas of greater economic development. Today the CGN presence is noted in areas of unplanned settlement and in regions with economic potential.8

In Uraba, one of the most violent areas in the country, the process of internal colonization (most lands without title became privately owned) was completed at a time of rapid capitalist development. This exacerbated the social conflict between the small peasants, operating at a subsistence level, and the growing agribusinesses of banana plantations

and cattle ranching, which wanted to expand their landholdings. Over the last two decades, land acquisition in Uraba was fueled by integrating the cultivation of cash crops for export into the international markets, a situation that has only intensified the conflict between social sectors in the area. For the large landowners, violence was the means that enabled them to expand their landholdings, either by expelling the peasants from their land or forcing them to sell at low prices, thereby transforming them into wage laborers for their growing agribusinesses in the process (CAJ, 1994: 25-54). This situation occurred in Uraba, as well as in other parts of Antioquia where capitalist development is high.

As rapid economic development overtook some of the rural areas, an increasing number of small peasants were ruined. This created a favorable environment for the CGN, which has had marked success in multiplying its membership in those areas over the last two decades. It has been estimated that, by the year 2000, the CGN may have recruited an army of more than 20,000 combatants, the majority of whom will most likely come from the ranks of the landless or small peasant farmers (Torres, 1995).9 In the simplest terms, the continued strength and growth of the CGN can be directly traced to the deep economic crisis into which many of the marginal rural inhabitants have been plunged, as it has swept away the minifundios and knocked the supports out from under the subsistence peasant economy.10 This crisis shows no signs of abating; to the contrary, the current data regarding distribution of land indicates that some 2,299,804 small farms occupy barely 15.6% of the total land available. Even more serious, however, is the fact that 87% of these farms are so small as to be considered mere mini-farms (El Espectador,1995a). Thus, the general trend of rural economic development is towards the continuing concentration of land into fewer and fewer hands, mostly those of the latifundios and large capitalist enterprises.

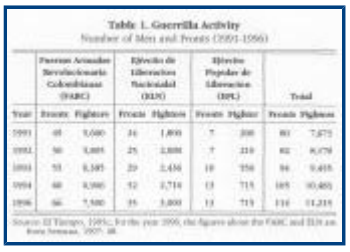

Table 1. Guerrilla Activity

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Table 1. Guerrilla Activity

Such crises provide the CGN with a fertile field in which to recruit supporters and with a situation on which it is quick to capitalize. The CGN is developing into a macro enterprise of its own, one that generates employment, provides resources, dispenses justice and public services, and which also serves as a political/military vehicle that can at least delay, if not halt, capitalist development, as it encroaches upon the terrain of peasant living at the subsistence level. In certain areas, peasants have joined the guerrilla movement as a way to protect their livelihoods and the properties of their families against the depredations of the large agribusinesses and their militias (CAJ, 1994: 29-52). In the Middle Magdalena and Uraba, the violence over land distribution is due to the absence of other mechanisms by which conflicts of this nature can be mediated and/or resolved." This explains why violence tends to occur in the areas of the most rapid development, where institutions are lacking and an efficient legal system is needed to decide on such matters as property rights, titles to land, protection of peasant and labor rights, and access to

land.

The CGN also serves multiple functions: it acts as a defender of the peasants in its areas of influence against the "outside" enemy, i.e., the large landowners, agribusiness, and the military, which is the most "active" institution of the state in these "remote" areas. The CGN also offers assistance to, and provides loans for, small peasant owners. Since the 1980s, the CGN has gained significant economic power from the gramaje and other taxes,[12] progressively investing more in public works and extending its services to encompass the areas of credit, health, education, land registration, justice, preservation of the rain forests, and culture (Molano, 1992: 214). In some places, the CGN has emerged as the equivalent of a local government, with its own institutions responding to the need for some sort of administration within its areas of influence, since the presence of the state is often confined largely to its exercise of a coercive military function.

The CGN has also extended its political activity into the urban areas, in part through the peasants who have migrated to the cities, as can be witnessed by the increase of guerrilla activity in Santafe de Bogota and other urban centers. The war has increasingly been gravitating toward the urban centers, where radical organizations can draw from the growing pool of unemployed (or underemployed) and frustrated youth, thus expanding the social base of the war system.[13] The socio-economic conditions that prevail in the cities provide an ideal environment, both psychological and political, for expanding the guerrilla movement.

In sum, the failure of the state to channel, arbitrate, or resolve the agrarian question has contributed to the unleashing of violence ever since the 1940s, a process which has turned into a lucrative business with the advent of illicit drug plantations in the 1980s and 1990s, to which we now turn in the following section.

THE CONSOLIDATION OF THE WAR AND THE ECONOMY OF THE GUERRILLA MOVEMENT (CGN)

During the 1960s and 1970s, the financial resources of the guerrilla movement were meager, derived mainly from foreign assistance and the ability to carry out robberies as a way to maintain its war effort. However, this situation changed drastically during the 1980s and 1990s, when the CGN succeeded in developing an impressive economic base capable of sustaining its activities over the long run. Some argue that it was the development of the drug economy that allowed the CGN to become a large enterprise. However, this section will show that drug monies constitute only part of what is really a much more complex economic structure (see Table 2) that has been put together by the CGN. The very ability of the CGN to create such an economy offers proof of just what a profitable business war has become, helping, in its turn, to consolidate the war system as a whole, particularly when viewed in its relation to the other violent actors. The question then becomes: how did the situation of war allow its participants to reap such impressive benefits?

For the last two decades, the war between the CGN and the military has been one of "low

intensity," where the belligerent forces avoided becoming engaged in those strategic and decisive confrontations which might result in the establishment of winners and losers. Instead, to employ a Zartman expression, a situation of "comfortable military impasse" was reached, which enabled the various social forces to succeed in adjusting to, and capitalizing on, the war (Zartman,1993: 24-30). In turn, each party was able to establish a positive-sum, political economy of scale, in which the benefits far outweigh the political and economic costs associated with war (particularly true of the CGN.)

The Colombian government has estimated the annual income of the CGN - i.e., its revenues on investments and income flows - for 1994 at almost $600 million (Colombia/Advisory Office,1994). In global terms, this figure approximated 0.52% of Colombia's gross domestic product (GDP) for 1995. According to the balance sheet prepared by the Inter-Institutional Committee for the study of Subversives (a group formed by the government to follow guerrilla finances), the CGN received more than 485 billion pesos ($600 million at an exchange rate of 700 pesos per US dollar) during 1994,'4 of which it spent about $65 million. This means that its profits totaled $535 million, far exceeding that received by the country's most profitable, and legal, company: the National Coffee fund, which earned just 365 billion pesos (about $521 million) in 1994. This is also twice the amount earned by ECOPETROL (Colombia Petroleum Enterprise), Colombia's secondranking industry, which earned 216 billion pesos, or about $309 million (FBIS-LAT, 1995: 50). The income amassed by the guerrilla movement includes investments, both local and international, that range across several sectors. Of course, this has required the cultivation of human and economic resources and the development of a relatively advanced technological capability in order to manage these enterprises and the investments.

For example, in several municipalities the CGN owns its own businesses, which serve as fronts for the organization and are dedicated to the exploitation of mines, both coal (ELN) and charcoal (FARC). As Table 2 shows, these enterprises generate about $20 million per annum for each of these groups (Colombia/Advisory Office, 1994). Moreover, the income received by the CGN includes dividends earned from investing in sectors as varied as farms, business firms, hotels, cooperatives, drugstores, printing establishments, workshops, dredging firms, and transportation, like buses and ferries, among others (FBIS-LAT, 1995). About 30% of the 1994 total came from kidnapping for ransom and extortion in the mining and livestock sectors, among others (see Table 2). Even some public funds are being diverted to the guerrillas' coffers; this has been estimated at about 15,000 million pesos (or about $21 million; i.e, 4% of the total income). The CGN uses these funds to finance public works and services and to support political allies in the municipalities in the many areas in which it operates. Although the size of its investment portfolio in public transportation remains unclear, it is certainly much larger than 5 billion pesos, the only figure available, which is listed in Table 2. The war tax is the money that the CGN collects from multinational corporations, large landowners, and cattle ranchers. Another important source of income comes from the gramaje tax and the taxes levied on the growers and processors of illicit drugs (coca, poppies, and others), which amounts to 37% of the total CGN income. The CGN charges about 10% of the market value per kilo of coca and poppy paste. These investments have enabled the CGN to establish an economic

independence that few other guerrilla movements in the world have been able to equal, with the possible exception of the Lebanese and Palestinian guerrillas, UNITA in Angola, the Khmer Rouge in Cambodia, and the Afghan mujahedeen.

Table 2. Income in thousand Million Pesos (year 1994)

	FARC	ELN	Total
Kidnapping - ransom	60,000	60,000	120,000
Investments in mining (gold and coal)	20,000	20,000	40,000
Extortion	14,000	81,000	95,000
Diversion of states' funds	10,000	5,000	15,000
Investments in public transportation	na	5,000	5,000
War tax	25,000	3,000	28,000
Tax on coca, poppy plants and grenadje tax	140,000	42,000	182,000
Total	269,000	216,000*	485,000**

Source: Colombia/Presidential Council for National Defense and Security

* These figures are tentative and speculative. The FARC investments in transportation enterprises are not available; therefore the income of the ELN is considerably smaller guerrilla group's terms relatively higher than the FARC. The income of the BPL (the smallest of the guerrilla groups) is not reported above.

** In 1991, the income of the Coordinadora Nacional Guerrillera (CGN) amounted to only 25% of the 1994 income. If these figures are valid, then the CGN experienced outstanding growth between 1991 and 1994. This supports one of the theses presented in this article, that the war system is profitable and is growing. According to Semana (1997), the income of the CGN reached US$ 600 million in 1996, 65% of which came from extortion (see section III).

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Table 2. Income in thousand Million Pesos (year 1994)

In addition to the 10-15,000 guerrillas themselves, another 15,000 (families of guerrillas and their supporters) are estimated to benefit from the CGN economy - which exceeds $500,000,000 per year - as well (FBIS-LAT, 1995).'5 According to official statistics provided by DANE, the average guerrilla family consists of 4 people, thus a total of 60,000 persons are supported by the economy of the CGN's "mini-state."

These figures are conservative and do not include those who work in guerrilla-owned enterprises or the peasants who receive aid and loans from CGN "banks" (FBIS-LAT, 1995: 50). Nevertheless, this provides a rough estimate of the number of individuals whose survival is linked to this economy.

The growth of the CGN and the diversity of its economic activity serve to restrict both the nature and direction of its military strategy, making "low intensity war" the most feasible option. The CGN has avoided major confrontations with Colombia's armed forces, especially in areas of its greatest business activity, choosing to concentrate its military operations in those regions situated at the periphery of these areas instead. This strategy is clearly based on a calculation of economic interests; protecting those interests has become the overriding concern in its war against the state. Thus, the CGN directs its military operations away from areas in which it has major economic interests and tries to establish areas of neutrality through agreements (tacit or implied) with the state's military forces. Commanders and officers deployed in these areas are commonly bribed to ensure maintenance of the status quo. These arrangements serve to safeguard the interests of belligerent forces on both sides, given the absence of a political decision to carry out a fullfledged military campaign, one that is clearly beyond the capabilities of either party to carry out successfully (Leal Buitrago, 1994).lfi

However, such arrangements are not applicable to the "grey areas," where the conflict between the major combatants is complicated by the presence of paramilitary forces. For instance, because the departments of both Guaviare and Antioquia (especially Uraba) represent areas of major economic activity, they are also areas in which the most violent anti-guerrilla struggles take place. Not only do the state's military forces oppose the presence of the CGN, but also paramilitary groups who are supported, both financially

and politically, by the dominant classes (which include the emerging bourgeoisie of the drug trade). Conflict in these zones reaches a greater level of dynamism than in areas of lesser economic importance, where agreements are easier to negotiate (and maintain) in the absence of the paramilitary organizations. The fact that a growing number of narcotraffickers have been investing their illegal gains in agribusinesses, particularly in Uraba and Guaviare, helps to explain the higher levels of violence in those regions: assassinations, mass killings, plus daily activity by the military. The multipolarity in these areas has led to a very unstable system, especially in comparison to areas where the military and CGN have been able to preserve a bipolar, though fragile, coexistence.17

The military and the CGN have forged a pattern of interaction in certain areas that spans a spectrum ranging from conflict at one end to tacit cooperation at the other. This has been a recurring pattern over the last two decades, serving to confirm the analysis that violence in Colombia has become institutionalized over time, i.e. evolved into a "war system" pattern. The next section discusses another type of interaction, one that is characterized by economic interdependence and political conflict.

The CGN and the Drug Traffickers: Conflict and Interdependence

The guerrilla economy and that of the narcotraffic are interdependent. The CGN imposes a tax on the traffickers in coca and poppy that is equal to 10% of the market value, per kilo, or paste. It has been estimated that the CGN's earnings from these taxes were about $260 million for the year 1994 (see Table 2), a sum which constituted a little more than 40% of its total income for that year (the % figure is based on global figures obtained from Colombia/Advisory Office). The CGN also safeguards the interests of the peasants who cultivate these illegal crops by making sure that traffickers (a) pay on time and (b) pay the market value.

In this sense, the CGN assumes the role of the state for certain parts of the underground economy: it helps in regulating economic transactions, in policing, and by penalizing violators. Penalties and sanctions can involve the use of violence to settle disputes with the traffickers or mediate disputes over prices and timely payments. The decisions of the CGN panels that arbitrate conflicts between peasants and drug traffickers usually are binding.

The CGN also is seen as a supporter by the peasants, not just those who grow coca and amapola, but by cultivators of other crops as well, because it is actively engaged in combat:ing the military's aerial eradication efforts via the periodic spraying of herbicides.18 Because the guerrillas have family or relatives whose crops, whether legal or illegal, are damaged by the aerial spraying, their opposition to the state's aerial eradication forays creates a common bond of interest between guerrilla and peasant, regardless of whether the latter is involved in a drug plantation or not. Thus, the CGN is the only group that appears to be actively defending the interests of the peasant in rural areas (Reyes Posada, 1995: 71; Garcia, 1995).19

In the Guaviare, a zone that is central for the coca growers, many of the CGN guerrillas

operating there are natives of the region, with families and relatives who subsist on the coca plantations. Many of these peasants cultivate coca (or poppies) as a way either to supplement their meager income from other crops (and/or wage labor) or as a temporary measure to save money and improve their standard of living (Garcia, 1995). The CGN believes that the solution to the problem of cultivating illegal crops lies in introducing some sort of radical change into the rural economy like giving the peasants land, or some other kind of incentives, to move away from this kind of production. Given that small peasants live at the subsistence level, relying on illegal crops either for their livelihood or as a way to supplement an already low income from legal crops and/or wage labor, drug plantations may be the only means of survival in the absence of any other viable option.20

In sum, the guerrilla movement has succeeded in establishing its own institutions in its areas of operations, where it is sustained by a viable economic base that serves only to underscore the institutional conflict with the other two key players in the war system. Socioeconomic conditions in the rural sector constitute an intrinsic element, and input, of the war system. These conditions give rise to contradictory responses, which are mediated through the institutional structures of the CGN, the military/state/dominant-class nexus, and organized crime. These contradictory responses, which are often negotiated violently by the opposing groups, serve to consolidate the war system.

THE MILITARY AND THE WAR SYSTEM

The military institutions contribute to, and benefit from, the escalation of violence in Colombia. The emergence of the guerrillas has been used to justify both the growth of the military as an institution as well as the increase in **defense expenditures**. The defense budget experienced a significant increase in recent years: rising from 2.2% of the gross domestic product (GDP) in 1980 up to 2.9% in 1994 (Leal Buitrago, 1994: 279);21 if one adds to this sum the service paid on the military debt, then the total allocated for defense in 1995 came to 3.6% of GDP22which places Colombia fifth in the Hemisphere (after the United States, **Brazil**, Argentina and Cuba) in absolute amounts allotted for that purpose (SIPRI, 1993). In general terms, the **defense expenditures** for 1993 were 2.5 times higher than those for 1990; however, the figures for 1990 were already double those of 1980 (Americas Watch,1994: 26). Among the Latin American countries, the size of Colombia's military forces (140,000) is second only to those of **Brazil** .23 Meanwhile, the number of persons employed in the country's defense and security agencies has increased from 165,000 (in 1985) to more than 303,000 in 1995 (Colombia/Comision de Racionalizacion, 1996: 20; Colombia/ Dept. of Treasury, 1994). This represents a considerable increase that has taken place just within the last 10 years. Because the military institutions are the largest enterprises in Colombia, they tend to carry significant weight in the sociopolitical and economic spheres.

The war against the CGN has added to, and legitimized, the political role of the military, enabling it to influence the agenda of negotiations with the guerrilla movement.24 The most worrisome prospect for the military is that any negotiated settlement to this conflict would undoubtedly serve to reduce this political role, force it to reform its institutions and, perhaps, integrate the guerrillas into its ranks. Any such changes would impose a

considerable cost in terms of national prestige.

The fact that the war has generally been one of low intensity has served to help the careers of those officers and generals who have been involved in operations against the insurgents in the so-called "red areas," particularly since the risks are not very high. For example, between 1991 and 1994 there was a sharp increase in salaries: the salaries of generals went up by 407.7%, while salaries of lieutenants increased by 200%. Furthermore, those military units assigned to counterinsurgency operations or who serve in the designated "red areas" receive additional benefits and salary supplements. Not only does the war add to the prestige of such units but, and more importantly, it serves as an avenue for promotion within the military ranks and hierarchy. Assignment to service in the "red areas" speeds one's rise up the ladder of promotion on the one hand and decreases the number of years of service required to be eligible for retirement on the other.

Finally, in 1996, the military forces obtained about $400 million in redeemable security bonds (with no interest), to which the military attributed their successes, at least in part, against the guerrillas for that year (El Tiempo, 1997). These monies offer one more example of how the war has been legitimizing the spiralling upswing in military expenditures.

Civil-Military Relations after the 1991 Constitution

The war grants the military significant leverage over the civilian authorities, especially in questions of national security and public order. Ever since the days of the National Front (1958-1974), the military has exercised a virtual monopoly over these areas, particularly through its role in articulating policies and shaping security outcomes.

For obvious reasons, the counterinsurgency campaigns (19601991) served not to reduce that role but, rather, to increase the profile of the military in managing the civil war. This situation remained virtually unchanged until the constitutional reforms of 1991, when civil authorities attempted to restructure civilian-military relations by granting more institutional power to the president and civilian officials in managing the civil war. The key change introduced by the 1991 constitution was assigning the position of Minister of Defense to a civilian for the first time since the National Front.25

Within the context of other institutional changes instituted by the new constitution (such as creating a Presidential Council For Defense and Security),26 the appointment of a civilian as Minister of Defense can be expected to undercut the influence of the military in formulating state policy toward the CGN, especially since these changes came about as the result of a long, painful process, during which every administration since that of Belisario Betancur (1982-1986) has acknowledged that the conflict is political in nature, moving away from the military's position that the guerrillas are primarily a bunch of criminals. Given this position, the only solution that the military has been able to suggest has been that the "criminals" must be defeated on the battlefield - an outcome that it has been conspicuously unable to achieve ever since the mid-1960s.

Nevertheless, after 6 years of constitutional reforms, the military has yet to make any significant change in this basic position. In fact, not only is the peace process at a halt, but, ironically enough, military expenditures under civilian ministers have far exceeded their previous levels. If this reveals anything, it is that (a) the war system permeates sectors of the civilian authority, and (b) the military still wields strong influence over security policies and military expenditures. Despite the declared intentions of President Ernesto Samper (199$present), the military has been able to subvert any serious advance in the peace process. When the Samper government appointed a Peace Commissioner who was perceived by the military as pro-CGN, the military erected so many obstacles that he resigned in 1995, leaving the government's peace initiative in limbo. The obvious tensions between President Samper and the commander of the Colombian Army culminated in a public showdown when the president declared that "aqui mando yo" (I'm the boss here), meaning that the president is commander-in-chief. This occurred after the army commander issued a statement in which he rejected out of hand the site that the CGN suggested for peace negotiations (in La Uribe) without consideration of, or consulting with, the position of the civilian authorities, thereby sending a strong message that the military cannot be bypassed in decisions pertaining to war and peace.27

The intransigence of the army is equalled only by that of the CGN, thus forcing the war into a virtual stalemate. However, the obduracy of both the military and the guerrillas can best be explained in terms of the interplay between their respective economic, institutional, and political interests, which are the essential elements that propel the war system forward and allow its perpetuation, particularly since the principal actors have long benefited from the business of violence by establishing a positive-sum, political economy of scale. The latest examples of the profitability of war are provided by the security contracts (about$67 million) which the Ministry of Defense negotiated with the multinational oil companies.28 These contracts offer just another example of how inputs from the international environment can be used to reinforce the war system in Colombia

So far, there have been no signs that the military is changing its strategy toward the CGN; on the contrary, the military has only become more ambitious, primarily through its attempts to woo international support, particularly from the United States. The Colombian military is trying to convince the US and world public opinion that the CGN is an active participant in the drug trade in order to obtain technical assistance, intelligence, and weapons, especially since the United States has defined its "war on drugs" as a matter of "national security." This strategy was clearly in evidence at the summit meeting on Hemispheric Security, held in Virginia, when then-Minister of Defense Fernando Botero asked the US for "technical and logistical" support in order to combat the CGN (El Tiempo, 1995c). This appeal to external actors for help may well lead to an intensification of the war and may even alter the balance of power between the military and the CGN in favor of the former.

The new plan to modernize the armed forces includes acquiring new radar equipment; installing the 2nd infantry and marine brigade; and creating (in 1998) the 5th army division, which is slated to operate in the center of the country. This military unit, costing

$23 million, is crucial to the war against the CGN. Provisions have been made so that, in each one of the army's 4 divisions, one mobile brigade will be available to fight the CGN. For the 1995-1998 period, the military forces have budgeted more than a $1 billion to be used to modernize existing equipment. The "modernization plan" offers clear proof that the military intends to adhere to its old doctrine of "national security" (i.e., fighting the guerrillas), particularly in regard to the updating, mechanization, and expansion of the mobile brigades, which would presumably provide the military with greater flexibility in operating in and over rugged mountainous terrain.

The Military and the Drug Trade

Not only has the drug trade contaminated Colombia's political system, but it has also penetrated the military in various ways. Here we will outline what some of these ways are, focusing, again, on patterns of interaction between the units of the war system. Just as it has been pointed out that the relationship between the guerrillas and the narcotraffickers has been colored by economic interdependence and political conflict, this section will take note of another pattern, one between the military and the narcotraffickers.

The military in areas pervaded by the drug production and traffic wring an even higher "tax" from the traffickers than those imposed by the CGN (Garcia,1995: 26), in the sense that these "taxes" take the form of kickbacks to some of the officers. In Guaviare, members of the armed forces allied themselves with drug-dealing paramilitary forces to form a united front against the guerrillas. The military benefits from allying itself with, rather than fighting, the drug traffickers in order to join forces against their common enemy: the CGN. The traffickers, on the other hand, have their own problems with the CGN because it constitutes a countervailing force that prevents them from imposing their hegemony within the economic sphere (Garcia, 1995: 26).

The small peasants and merchants prefer the authority of the CGN to that of the army or the anti-drug police because the CGN does not charge (or only charges once), whereas the army or anti-drug police not only impose several "taxes" (i.e., bribes) but also entail the risk of farms being set on fire if cooperation is not forthcoming (Garcia, 1995). In contrast, the CGN tends to protect the interests of the peasants and even regulates their relationship with the traffickers (Molano, 1992: 214). The Guaviare case serves as a microcosm (subsystem) of the way the war system operates when the (economic and political) interests of the main actors in the conflict coincide, or become entwined, and where alliances (both permanent and passing) contribute to a precarious balance of power among such groups.

The narcotraffickers have employed both bribery and kickbacks as a way to assure the cooperation of some of the military's officers stationed in trafficking areas, as well as in the country's main ports of entry. Thus, it is believed that corruption in the military is more pervasive than is reported in the media even though there are, unfortunately, no data on this matter - and for obvious reasons. Nonetheless, it is fairly safe to say that narco-dollars have probably found their way into the military's institutions in return for some kind of cooperation by way of recompense. This assumption has, as its counterpart, the belief that

prevails in some military circles that the drug traffickers are, after all, just hard-working businessmen. These two factors laid the groundwork for the implicit, and sometimes explicit, alliance between the drugtrafficker-backed paramilitary groups and the military (Thoumi, 1994: 161-162). It is an alliance that was born out of the needs, both military and political, involved in confronting the CGN.

At this juncture, and given the institutional crisis that was precipitated by the allegations that drug money had tainted the campaign finances of President Ernesto Samper, the "mano duro" of the military has been strengthened, and the peace process is, for all practical purposes, dead. This could lead to heightened levels of violence for some time to come, but without necessarily abandoning the requirements of the war system. Violence is expected to increase in regions of capitalist growth and change, such as in the coffee axis, and in areas of settlement. The president's current political crisis, with its grave political repercussions, has created a power vacuum that is due, in part, to serious fragmentation of the political class and the weakness of the political parties. The military, as the institution that is, relatively, the most united, is the sector that is most likely to fill this vacuum. This situation may bring a new dynamic to the operation of the war system.

The possible re-emergence of the military as the principal organ responsible for public order, particularly in the rural areas (and/or in large urban centers), is a by-product of a long history in which the state failed to resolve conflict without resort to violence. This has allowed its military not only to acquire excessive political latitude but also to develop an institutional interest in preserving the status quo of violence, and to use, in turn, the situation of "war" as political leverage in its negotiations with civilian authority.

The Privatization of Security

One of the most peculiar characteristics of the war system's political economy has been the privatization of security in Colombia. Over the past decade, private security agencies have not only proliferated but found further reinforcement through the organizational reforms of the national police that were introduced in the last two years of the Cesar Gaviria administration (1990-1994). Decree No. 2535, concerning fire arms, ammunition, and explosives, and Decree No. 356 (entitled "Private Security and Surveillance") actually reinforce the war system. In the analysis of Zuluaga and Pizarro, these decrees must be considered within the context of the so-called "Integral War," sponsored by President Gaviria at the time. However, this explanation is only conjectural and overlooks the overall political economy of violence in Colombia (Zuluaga Nieto and Pizarro Leongomez, 1995: 67). These decrees responded to a need to regulate the new, thriving "security business" after it had undergone a dramatic expansion in the 1980s. Thus, the war system is obviously growing and, at the same time, is integrating a greater number of social sectors, generating businesses with a vested interest in the perpetuation of violence.

The state's encouragement of privatizing security is perplexing until one notices that many of the managers, security guards, trainers, or even owners of some of these enterprises are all former members of the military.29 These security agencies are controlled and regulated by the Ministry of Defense, which helps to facilitate the movement of the

military personnel into that sector. Work in these agencies enables military retirees to augment their pensions.

As a consequence of these decrees and the related interest of the military, the number of security companies has grown into a highly profitable sector in the business community. Today there are approximately 385 private security agencies, with 104 branches spread throughout 627 departments; there are 7 agencies that specialize in the protection of securities (such as banks), with 49 branches. At last count, the total number of people employed by these agencies numbered 89,159 operatives, plus 5,210 administrative personnel (see note 29). Assuming that the average family consists of at least four people, then some 396,396 persons must benefit from this ingenious invention of security.

It has been estimated that private groups (both businesses and individuals) spend about $ 150 million (0.3% of the GNP) to protect their properties and ensure their personal safety (Rubio, 1995: 103). These enterprises are on the increase due to the inability of the state's security organs to guarantee the security of the country's political and economic elites. Ironically, however, the continuing militarization of Colombian society under the various guises of private security, paramilitary forces, and security cooperatives are all, in addition to the growth in the armed forces, outgrowths of the whole war system logic; if anything, they seem only to have produced more violence, as suggested by the indices of political violence and crime.

ORGANIZED CRIME AND THE TRIANGLE OF WAR

The Illegal Drug Industry

Although drug traffickers are certainly an integral part of organized crime, they will be treated separately because of their economic and political weight in the society. Organized crime - i.e., acts of violence committed by two or more persons - is considered as part of the war system given the inter-relationship between criminal violence and political violence. While some aspects of this interdependence were discussed earlier (e.g., between the CGN and drug economies, and between the drug economy and the military's complicity in taking bribes and kickbacks), this section will elucidate other ways in which this interdependency is manifest among the three main perpetrators of violence.

The Colombian war system, under the contradictions between the CGN and the armed forces, has permitted the drug traffickers to flourish. The drug traffickers benefited from the military balance between the CGN and the military, which permitted quasi-autonomous territories to be established. Consequently, the traffickers moved into the role of "balancer" between the two opposing forces, thus ensuring that the balance of forces between the CGN and the military would continue and allow them to exercise some degree of autonomy over their economy. This policy is characterized by the practice of (1) negotiating alliances, however temporary, with both sides and (2) using corruption to establish relationships with military officers, guerrillas, and politicians.30

The relationship between the drug traffickers and the guerrilla movement (CGN), who

have occasionally allied with one another against their common enemy (pointed out by Thoumi, 1994: 161-162), is basically in conflict due to their irreconcilable concerns. The CGN imposes taxes and protects the peasants, two aims that increase the likelihood they will come into conflict with the traffickers. In some areas, the traffickers have even become large landowners who then sought to expel the peasants.

The drug traffickers reacted to their situation by creating paramilitary groups of their own, using the legal framework which permitted establishment of such groups for self-defense. This context only helps to emphasize how the war system shapes the relationship between, and among, the participants. Ideology, which was a source of conflict between the drug traffickers and the CGN, was a source of affinity between the traffickers and the military, which shared a similar view of the social and political order. However, the ideological element quickly retreated when it came to financing the paramilitary groups, who would not only protect the investments of the drug traffickers, but would also employ violence against any person (or group) who aided, or even sympathized with, social reforms (Thoumi, 1994: 164). This attitude coincides with the political objectives of the military, which views any political opposition as part of the insurgent conspiracy. It is important to bear in mind that the ideological affinity between the drug traffickers and the military overlaps with the interests of certain sectors of the dominant class and political elite, those who benefit from the inflow of narcodollars either directly (via establishing joint ventures, corruption, or the like) or indirectly (through the overall impact of this money on the macro economy). In this manner, the balance of power between the CGN and the military, which allowed the growth of the drug economy in the first place, tends to increase the propensity of the narcotraffickers, in their turn, to influence political and social processes. In this scheme of things, the inputs and consequences of the war system interact with the various actors and the operating environment to produce a dynamic that allows the war system not only to perpetuate itself but to flourish and expand. One must keep in mind that the war system is an open system, with permeable boundaries that allow the flow of inputs and outputs to and from its social environment.

The drug economy incorporated a good part of the peasant economy, bringing it into its orbit. Most experts put the estimate of incomes from the drug trade within a range of $ 1.5-3 billion per year. This sum is equal to twice the income produced by the sale of other cash crops and represents about 4% of the GDP (El Espectador, 1995b). The size of the social sector that is directly involved with the production and/or trade in illicit drugs (coca, poppies, marijuana) is approximately equal to the number of coffee growers, i.e., from 250-300,000 persons.31 If the trend of the past years continues, this level of participation may rise much higher, partly for lack of effective economic policies which might enable the peasants to pull through the crisis of the subsistence, and small peasant, economies. The dramatic drop in the prices of traditional cash crops (mainly coffee) made cultivation of illicit crops the main alternative open to peasants and small farmers that might permit their economic survival, owing, in particular, to their high cash returns (Vargas and Berragan, 1994: 152-168). The families that participate in this economy are interested in maintaining their principal, if not only, source of income and in improving their standards of living. This economic situation tends to strengthen the forces that favor a continuation of the war system (particularly given the balance of power between the military and CGN):

not only does it allow this extralegal economic activity to continue, but ensures that the need for the CGN and its protection will continue also, so long as the peasants engage in an activity considered illegal.

The Economy of Organized Crime

While the dynamics of the war system can offer a partial explanation for Colombia's high rates of crime, it must also be understood within the context of the country's urban mosaic: high levels of poverty (more than 48% of the people live in poverty according to the World Bank, 1994: 3);32 disparities of income; a high concentration of wealth (second highest in Latin America, after Brazil, according to CEPAL, 1990); high unemployment; marginality; institutional family crises; drugs; and land invasions. In their econometric analysis, Armando Montenegro and Carlos Posada (1995) demonstrated that the growth of the gross domestic product (GDP) and the increase in the concentration of wealth in the 1970s and 1980s were accompanied by an increase in criminal activity.33

The emergence of organized juvenile gangs, kidnapping gangs,34 robbery, and hired assassins, also coincided with the economic growth of the war system and the increased sophistication of (a) its infrastructure, which facilitated access to weapons (El Tiempo, 1995e),35 and (b) military expertise (i.e. training, provided by paramilitary forces, former members of the military, and former guerrillas). For example, in 1980 only 53.3% of the violent acts committed in Cali used firearms; by 1982, however, this percentage had risen to 82.4%, indicating higher levels of organization and easy access to weapons (Camacho Guizado and Guzman Barney, 1990: 75). Medellin, the capital of Antioquia, witnessed a similar trend: in 1980, just 730 people died by violence, whereas, by 1985, homicide had become the leading cause of death, claiming 1,684 victims; in 1990, there were 5,500 homicides in a city of 1,700,000 people. In almost all of these cases, the deaths were caused by firearms (Salazar, 1994: 25). Most of the spread of firearms in the 1980s and the resurgence of organized criminal organizations attest to the dynamics of the conflict between the CGN and the military and to its spillover into other social spheres.3 This fallout was facilitated by the operations of the drug traffickers and their urban networks.

One of the major consequences of the war system, in terms of social values, has been the rise of a subculture of violence which provides a fertile, socio-psychological environment for the development of criminal behavior. However, the factor that served to reinforce this subculture of violence was the weak presence of the state, as a dispenser of both social services and justice, in the poorer areas and neighborhoods. The prevailing resort to violence as a way of settling disputes reveals the lack of alternate mechanisms for doing so: popular, legitimate, and efficient institutions that can mediate, arbitrate, and/or adjudicate conflicts between individuals and social groups or between these groups and the state (Salazar, 1994: 25). Individuals take the law into their own hands because of the very inefficiency of the judicial system, which takes a very long time to process plaintiffs and to settle disputes. In 1984, only 46.1% of the cases presented to courts even reached a verdict; in 1985, only 24.1% did so; in 1986, the figure was 25%; and in 1987, it was 38% (Montenegro and Posada, 1995).

Moreover, a study published in 1994 showed that only 20% of the crimes committed are actually reported and, out of that 20%, a mere 14% are indicted; finally, of the 6% remaining, only 3% of the cases end up by sentencing someone for the crime (quoted in Gomez Albarello,1996: 50). In other words, there is a 97% probability that a given crime will go unpunished.

What is equally noteworthy is the amount of its budget that the state apportions for its judicial branch. In 1970, the state allotted 2.5% of the budget to the judiciary; in 1980, this figure rose to 3%; by 1983, it was 3.7%; while, in subsequent years, the judiciary received only 2% of the state's budget (Thoumi, 1994: 89). Furthermore, this drop came at a time when the judicial system was overloaded and in need of more money to revamp, restructure, and modernize its operation.

Montenegro and Posada found that there was an inverse, and negative, correlation between two important variables: the "increased efficiency of the judicial system" on the one hand, and the crime rate (homicides and robberies) on the other. Furthermore, this analysis revealed a significant negative regression coefficient - from 95-99% between 1980 and 1990 (Montenegro and Posada, 1995: 88). This finding is consistent with the conclusion here that high indices of crime can be attributed to the inefficiency of the legal system, i.e., any improvement in the efficacy of the legal system, and bringing criminals to justice, will reflect negatively on the crime rates. As a result of the chronic inefficiency of the judiciary, most criminals either go unpunished or receive only short sentences, thereby reducing the costs of such acts to the perpetrators.

Another factor that impacts the high homicide rates is the extralegal situation of the perpetrators of these crimes, who fall outside the law and use violence as a way of settling disputes among themselves: I refer to the "inter and intra" group relations of gangs, drug traffickers, paramilitaries, "official" death squads, and guerrillas. Violence is the only means at their disposal by which to settle disputes (both internal and external), ensure compliance with agreements, discipline followers, and/or eliminate competition in their areas of operation. This resort to extralegal means has been (and is being) used by both the dominant groups and the military as well. Thus, where a war system is in effect, the lines between legality and illegality become blurred.

It has been the coincidence of two main factors which has operated to facilitate the growth of organized crime and make it cost effective: (1) the war system, which provided both the infrastructure and the psycho-social environment; and (2) the failure of the state either to develop its judicial system into a more effective instrument or to address the social needs of an underprivileged social class. This is a good example of how the social environment (in this case, failure of the state to ensure justice) and the effects of the war system (such as providing weapons and fostering a subculture of violence) have worked together, in a mutually reinforcing symbiosis, to promote violence.

Robberies and kidnappings have become mechanisms for the redistribution of resources and income, buttressed by an official economic policy that requires downsizing the

welfare state.37 In 1993, it was estimated that the proceeds from robberies of public service enterprises, kidnappings, and homicides in the course of robbery constituted 2.2% of the GDP. Which is another way of saying that criminal activity becomes another way of redistributing the gross domestic product.? In 1993, this sum was slightly less than the amount that the government spent for education (2.62% of GDP), but was more than it spent for health care and services (1.2% of GDP) when social security and child care are omitted from the tally (Bonilla Castro, 1995: 90).

However, the total income from all criminal activity (robberies, kidnapping for ransom, the narcotraffic), excluding contraband, comes close to $3 billion a year. This figure constitutes more than 7% of the GDP and is equivalent to the total annual sales of the 14 largest industrial enterprises in the country (Rubio, 1995: 103). The population of those engaged in some form of criminal activity has been estimated to encompass about 100,000 persons; if one assumes an average of 4 persons per family, then it would appear that some 400,000 individuals must benefit from, or subsist on, income derived from criminal acts. Furthermore, this figure does not include the estimated 100,000 peasants engaged in cultivating illicit crops.

Mauricio Rubio has calculated that the annual average income for a common criminal is probably on the order of $30,000 a year. Thus, he concludes that the average monthly income derived from criminal activity could generate as much as twice the average annual income of a worker earning the minimum wage (Rubio, 1995: 104). The high returns to be had from the criminal economy, with low chances of being caught or punished, make this sector extremely attractive to those sectors of the population in which unemployment, destitution, and underemployment are rampant. Therefore, one can expect that the illegal and criminal economy will not only grow but will, as a consequence, reinforce the war system by bringing into its orbit scores of youths from the poorest neighborhoods, where the level of frustration is high and the socioeconomic environment conducive to this type of collective behavior. The incentives for, and benefits from, crime far outweigh the costs of arrest or prosecution by the state. A positive-sum, political economy of scale is again observed in the sphere of organized crime, reinforced by the state's lack of social policy and an inefficient judicial system. Moreover, the condition of criminality is compounded by the military stalemate between the CGN and the state which has significantly propelled the growth of organized crime.

THE SIZE OF WAR ECONOMY

The war economy accounted for about 12.3% of GDP for the year 1 1995;39 if the incomes of the sectors involved in providing security services (0.3%) and insurance policies (0.6%) are added, the total comes close to representing 13.2% of the Colombian economy for that year (Rubio, 1995: 103). This percentage includes transfer payments (such as ransom payments and proceeds from robberies), as well as those payments to the military, to security guards, guerrillas, and paramilitaries which also form part of the GDP. Thus, for some sectors of the economy, violence has become a profitable business, and there are no serious social policies, either in prospect or in place, that are designed to break its dynamics. These figures suggest that the war economy is an impressive one, and that the

social sectors with links to the war economy, and economically dependent upon it, are both varied and many. Even more alarming, however, is that present trends indicate that an ever larger number of the population is being pushed toward participation in this war-system economy. These trends receive further impetus from the neoliberal economic policies pursued by the Samper government. More than 2 million persons[i] - i.e., about 5-6% of the population - have direct ties to the war system.4[i] This figure does not include all the employees of those who benefit from the drug trade and their investment of narcodollars; such calculations are almost impossible to make because these investments are made in the "legal economy." Another important sector of the war economy is the emerald industry, which is under the virtual monopoly of a mafia organization that has succeeded in gaining control of this lucrative sector of the mining industry via violence. There are no data regarding the number of people engaged in emerald mining or its related businesses. All of which goes to suggest that a significant percentage (plausibly estimated at anywhere from 10-13%) of Colombian civil society is tied, directly or indirectly, into the war economy.

THE DOMINANT CLASSES AND THE WAR SYSTEM

It is necessary to examine the relationship of the dominant classes with the war system in order to round out the picture of how the war system interacts with its environment. The sector that has been most disposed to use violence to protect its economic and political interests has been the large landowner class. As mentioned earlier, this group used violence to facilitate its concentration of land and for purposes of capitalist expansion (agribusiness), a tactic that brought them, inevitably, into conflict with small landholders. Violence has been the preferred method of achieving their aims during most of this century, i.e. before the present war system began.

However, ever since the 1980s, these violent methods became increasingly institutionalized, buttressed by the new economic trends in rural areas that were set in motion by the flow of narcowealth. That flow accelerated capitalist development by stimulating real estate speculation, the growth of agribusiness, and proliferation of large ranches dedicated to raising cattle or livestock. This sudden influx of new money, plus its huge volume, tended to rupture long-established social structures and economic relationships in the areas in which it was invested. From the mid-1980s onwards, narcodollars have been used to purchase about 4-6 million hectares that are used mainly for raising cattle, out of a total of about 40 million hectares, in the whole country, that are devoted to this activity (Thoumi, 1995: 41). The Middle Magdalena valley (where the Medellin export syndicate is the best example of illegal drug investment) is a region where property rights are under challenge and there is a high level of violence, the latter due to frequent confrontations between the CGN, paramilitary forces, and the military (Thoumi, 1995).

Ironically, the attraction of investing in real estate has been heightened by the presence of the CGN, which has raised the general insecurity in the area to the point that prices dropped substantially. This enabled the investors of narcodollars to purchase land at bargain prices, whereupon they organized paramilitary groups to evict the CGN from the

region; this latter tactic was sufficiently successful that land prices subsequently increased (Thoumi, 1995). Not only did these tactics benefit the investors with narco dollars, but other sectors of the Colombian bourgeoisie as well (LeGrand, 1992: 31-38).42 Once again, this sequence of events shows how fallout from the war system works to the benefit of social actors who do not necessarily come within the confines of the system.

An analysis of places where the violence is concentrated helps to clarify the correlation between violence, rapid economic development (punctuated by economic cycles of "boom and bust"), and heightened inequality of income: the highest rates of assassinations are in departments with high economic growth, like: (1) Antioquia, in first place (in 1990) with 22.6% of the total number of assassinations; (2) Meta, in second place with 14.1%; and (3) Risaralda, in third place with 14.0% (Montenegro and Posada, 1995: 97).43 These are regions in which economic development - agroindustry, mining, raising of livestock, textiles - is increasing, along with higher concentrations of wealth and income.44

This high concentration of wealth is further aggravated by the lack of efficient state channels by which to negotiate disputes, or to regulate and balance economic growth so that the lower classes can also gain from the process (jaramillo, 1994: 109). For example, in times of recession, like the one now hitting Risaralda, the increased level of violence can be explained as a consequence of the absence of both social safety nets and state institutions able to mediate conflict. Paradoxically then, in times of boom and bust, violence remains the most effective means for negotiating social conflict.

Groups that represent the interests of the rural bourgeoisie such as the Federaci6n de Ganaderos (FEDEGAN), the Sociedad de Agricultures de Colombia (SAC), and the Federaci6n Nacional de Cafeteros (FEDECAFE) - have strongly opposed negotiated solutions to conflict that might result in changing property relations in rural areas (Cardenas Gutierrez, 1995; Martinez Pelaez, 1995). Certain sectors of the paramilitary groups, hired killers (sicarios), self-defense organizations, and security cooperatives, among others, make up the armed forces of those large landowners who oppose any social change that is perceived as harmful to their class interests. Thus far, the war has not proven sufficiently costly, so that these sectors may yet reassess their position toward negotiated settlement. However, the economic resources which these sectors pour into protecting their interests (i.e., in security) both feeds the war system and helps to perpetuate it. Representatives of these groups acknowledge the gravity of the crisis for the rural economy, yet they continue to oppose land reform and any settlement that would give the CGN a voice in national politics.

On the other hand, one might expect that the bourgeoisie from such sectors as banking, finance, and industry might view the possibility of peace negotiations differently from their rural counterparts (Fernandez, 1995; Ramirez Ocampo, 1995; Angel, 1995). One could assume that these sectors of the bourgeoisie would have less to lose if agrarian reform were to be considered as the price of political settlement. But this is not the case. Among representatives of the dominant economic groups, however, there appears to be a consensus that any settlement that might affect the neoliberal economic model, adopted by the state in the early 1990s, should be rejected outright. Those in the modern, urban

sectors fear that a negotiated settlement with the CGN could derail the neoliberal program; those in the old, rural, landholding sectors fear that a negotiated settlement with the CGN would mean admitting social and land reform, key demands of the CGN. Thus both sectors of the dominant groups are united in their rejection of the possible consequences from such a political settlement. The position of the dominant economic groups therefore coincides with that of the military, the drug traffickers, and the "hawks" within both the (ruling) Liberal party and the Conservative party. The fact that the dominant economic groups are firm advocates of the mano duro (iron hand) policy, coinciding with that of the military, offers a good example of how the war system is reinforced, and its dynamics gain momentum, when it interacts with the political and economic agents who supposedly operate outside the war system as such (Fernandez,1995; Ramirez Ocampo, 1995; Angel, 1995).

As this research shows, the war system does not operate in a vacuum but is organically integrated with the environment (defined in political and socioeconomic terms) in which it operates. Its potential for growth, in a situation of heightened crisis or aggravated social contingency, poses a constant threat to the country's development and acts as a further constraint on consolidating its democracy, even in its present, restricted Colombian form.

DEMOCRACY UNDER SIEGE

The war system has a dynamics of its own, with each one of its components having an interest in perpetuating the system. A number of socio-economic, political, and subcultural interests and values combine to legitimate the system and contribute to its continuation, such as that developed by the sicarios, who are devoted to worship of the Virgin Mary, not to mention the gang member hierarchy itself, based upon patriarchal values and symbols. In sum, each protracted low-intensity war develops a system and momentum of its own, within which its major actors play out their roles according to their discrete ideological and political interests. However, the key factor that determines the development of a war system is the ability of the participants to establish their own institutions and economic base, which endows them with the power and relative autonomy needed to conduct the war. As John Rex has observed, conflict becomes a way of life.

Although this discussion has explored some of the causes of violence which bear upon the war system, it is also appropriate to draw attention to the fact that the restricted nature of Colombian democracy has also contributed to the endemic violence; as Pecaut wrote: Restricted democracy perpetually engenders a manifestation: violence is its expression but is also the instrument of its control. Restricted democracy presupposes that the boundaries between exclusion and inclusion have been blurred ... (Peacut, 1987: 25).

In my view, however, this violence has evolved into a war system that serves as the mechanism for regulating the market and directing the distribution of a large part of the national income: (1) it helps in the accumulation of capital and land, enriching those sectors that are related to crime; (2) it provides certain sectors of the popular classes (those excluded from the accumulation of capital) with an instrument of defense against

the capitalist offensive; and (3) it gives those same excluded sectors an opportunity to benefit from certain "illegalities:" the colonization of lands, redistribution of national income (through crime), cultivation of illicit products, and the like. This capacity is owing, in part, to the military capability of the CGN, which controls part of the national territory, and, by extension, to the overall correlation of forces between the CGN and the military, which have set the dynamics of the war system. In system theory parlance, these are some of the outputs of the war system.

The war system also became a modality that enabled individual, social, and political actors to negotiate their disputes in the absence (or weakness) of the country's democratic institutions and practices. This has been one of the most distinctive characteristics of Colombia's political and social development, particularly since the 1980s, and constitutes one of the environment's inputs to the war system.

Paradoxically, however, the ebb and flow of violence serves as a safeguard to perpetuate the political system, without slowing down the capitalist development.45 The war system coexists with a highly restricted form of democracy, marked by social, economic, and political constraints. Though this coexistence is precarious, it has also proved surprisingly stable, as demonstrated by the continuity of the political system, without interruption, since the 1980s. A restricted democracy and violence are interconnected and mutually reinforcing.

What are the prospects of the war system if it coexists with the political system and serves capitalist development well? To what extent does the war system act as a safeguard of stability in the absence, or inadequacy, of other modalities and institutional channels to resolve individual and social conflicts?

The dominant economic groups look upon violence as an efficient mechanism with which to crush the opposition. This attitude has shaped the political behavior of the dominant social groups toward the working classes, the peasants, and Left-wing political parties.46

On the other hand, violence has not had a serious negative effect upon the interests of the dominant classes. These groups feel that negotiations with the CGN would require acquiescing to political and economic reforms that would transcend the present costs and inconveniences of violence.47 Nevertheless, this situation could change if the level of violence should reach a point where the economic growth of the country were to be negatively affected - along with the political and economic interests of those same groups (Montenegro and Posada, 1995: 94).48 Colombia now seems to be approaching a point where the costs of the war system are beginning to exert a negative pressure on the economy, particularly in the inflationary effects produced by war economy expenses and incomes: military expenditures and security, income from crime (contraband goods and narcodollars), and the economic strains generated by the CGN (kidnappings, sabotage of oil pipes, taxes on the multinational companies, extortion, among others). All of these add up to costs that could adversely affect the rates of savings and investment. By bringing inflationary pressures to bear on the national economy, these practices also constitute a drag on economic growth. This could introduce a new element that would be conducive

to creating a positive climate for peace negotiations. Nevertheless, there have been no serious indications thus far that the dominant social classes are yet willing to engage in a peace process that might produce social and political reform greater than that engineered by the constitutional assembly of 1991.49 The majority of the elite have not yet realized, or absorbed, the negative impact of the war economy on their class interests.

The CGN is not interested in peace at any price. It can sustain a prolonged struggle; its control of areas in which it exercises the role of a state lends energy to the movement and serves as a source of popular support. In light of the social crisis now afflicting the country, this movement can be expected to grow significantly in the next few years.

It is important to keep in mind that the peace politics of the CGN are also influenced by negative experiences in the past, particularly situations in which a demilitarized opposition was exterminated by paramilitary groups, or even by the CGN itself. The previous experiences of the M-19, the Patriotic Front, the Communist party, and previous guerrilla movements suggest that there is no chance that a demilitarized Leftist force will develop in the absence of appropriate institutional tools capable of ensuring that any contest of political power will be both democratic and without violence.

Moreover, political learning - and, hence, the strategy of the Colombian guerrillas regarding when, why and how to reenter the political process - is also influenced by the examples of other countries, like El Salvador and Nicaragua, neither of which were encouraging. Nor was the experience of the M-19 in Colombia, which became a negligible political force, one that the CGN wishes to duplicate. In other words, the CGN does not see the point of carrying on an armed struggle for more than four decades unless sufficiently serious political and social reforms are enacted that would enable it to become an influential political force. This is particularly true given the favorable situation of the CGN vis-a-vis its economic and military capabilities, which endow it with a rare status, unusual in the ranks of world revolutionary movements that still survive. It is my impression that the CGN would rather retain the status quo than accept a political settlement which did not meet its minimum requirements of (1) changing property relations in the areas under its control, and (2) legitimizing its special status in those territories. This is the very least that the CGN could accept under the present circumstances.50

This makes peace a very expensive commodity. At the moment, it would appear that neither the dominant classes, the state (and the military in particular), nor the CGN are willing to pay the price. In the meantime, the economy of the war system grows and develops, while institutional, economic, and political interests that conspire to resist a peaceful settlement become entrenched.

The war, on the other hand, has been a profitable commodity so far, generating wealth, prestige, and political power. War has also provided a modality for negotiating social and political conflict and has served as a means for allocating resources. Furthermore, the three main protagonists of the war system outlined here have each, in their own way, succeeded in establishing a "positive-sum political economy," i.e., each has accumulated a

sufficient supply of resources, both economic and political, to ensure that the violence can continue indefinitely, with no sign of early abatement. Thus far, the low-intensity war has not been costly enough to induce the parties to change their corresponding positions (Zartman, 1993: 24-30).51

Consequently, Colombian democracy appears destined to remain in a state of a violent siege until the conditions that initially produced the war system are eliminated. This means, primarily, until the mechanisms and channels for resolving social conflict appropriate to a democracy are established.

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NOTES

1. Studies by Kalmanovitz (1989), Child (1993), and Hartlyn (1993) all represent studies that try to draw distinctions between the violence of the past and the waves of the 1980s and 1990s.

2. As Gonzalo Sanchez has pointed out, over the past century the conflicts were "not to capture the state's power or to change the political system, as in the revolutions, but simply sought political participation to incorporate the forces (mainly from the elite) that were occasionally excluded from the political process." However, in the last two decades, a war system was formed and consolidated. This phase of violence is distinguished by the appearance of: (a) military stalemate, caused by a balance of forces between the belligerent groups; and (b) the profitability of war (see Sanchez, 1992: 19).

3. David Bushnell makes an important distinction between violence in the last century and the violence of the 1940s. Violence in the 1980s and 1990s is a "third wave" because it can be distinguished from the preceding period of violence (1946-1966) and its ramifications. (See Bushnell, 1992: 12).

4. According to a study by the World Bank, 60% of the lending portfolio of the Agrarian Bank (which the report calls the Agricultural Credit Bank) went to small farmers, with the remaining 40'/ being extended to medium-sized and large farmers. Due to financial crisis, however, by 1991 the Bank's loans to small farmers made up only 2% of its total lending. As a result, the total lending to small farmers in 1991 represented only 26% of amount loaned in 1988 (World Bank, 1994: 132-133).

5. The FARC (Fuerzas Armadas Revolucionarias de Colombia) is the largest, most important guerrilla group in Colombia. Originating in the Liberal peasant guerrilla movement of the 1940s, it subsequently developed deep roots in the peasant communities located in the areas of its settlement. The FARC became a means of self-defense against both the large landowners and the military in areas of land colonization (Pizarro, 1992: 180-182; and Molano, 1994). Molano, in particular, offers a vivid account of FARC's emergence from among the Liberal guerrillas.

6. Three main guerrilla movements operate in Colombia under the coordinating umbrella of the Coordinadora Nacional Guerrillera (CGN); these are: the Fuerzas Armadas Revolucionarias de Colombia (FARC), estimated at 7,000; the Ejercito de Liberaci6n Nacional (ELN), at roughly 2,700; and the Ejercito Popular de Liberacion (EPL), perhaps 700 strong. Though these figures are highly speculative, they are generally accepted and used by experts and government officials (see Table 1).

7. This is based on information provided by Jorge Cardenas Gutierrez (1995).

8. These are regions like Bajo Cauca, Magdalena Medio in the Department of Santander, Uraba; the Sinu and San Jose river valleys in the Department of C6rdoba; the southern part of the Departments of Santander, Boyaca, Norte de Santander, Casanare, Arauca and Caqueta. All have high levels of agribusiness development, contested land settlements, and drug plantations.

9. Alfredo Rangel Suarez, Advisor to the Presidential Council for National Defense and Security, has estimated that, in about 8 years, the guerrillas will be able to command some 30,000 combatants, operating on 300 fronts (Rangel Suarez, 1996: 74).

10. Jorge Cardenas Gutierrez, President of the Federaci6n Nacional de Cafeteros (FEDECAFE), has pointed out that the minifundios and small landholders are in crisis, unable to subsist any longer due to their inability to adjust to new international market conditions. The only way the coffee industry can survive and develop will be by reducing the costs of production; this means moving towards ever higher concentrations of land and introducing state-ofthe-art technology.

11. In the Middle Magdalena, the action of the state, via INCORA, the institute that grants legal title to land (particularly colonized land), indicates that the state does not involve itself in situations where ownership of land is under dispute, it simply provides title to uncontested land. In cases where ownership is in doubt, the parties are left to resolve thir problems on their own. The lack of any state role in resolving land disputes in frontier areas provides another example of how the lack of legitimate avenues for resolving conflict force the parties to a dispute to resolve their differences by any means at their disposal (Vargas Velasquez, 1992: 265-269).

12. This is a tax that the CNG levies on each plane that lands or takes off in areas in which it operates.

13. A member of the FARC (who asked to remain anonymous) revealed that, over the past 5 years, guerrillas have increased their presence significantly in the shantytowns of Ciudad Bolivar and Kennedy, on the outskirts of Bogota (which claims a population of more than a million). He correlated that increase with the new waves of migration from the countryside on the one hand, and the lack of opportunities in the city on the other (author interview with FARC member; Bogota, Colombia; August 1995).

14. This assumes an exchange rate of 700 pesos per US dollar, the rate of exchange on which all estimates in this article are based. Since the figures are estimates, they may be inflated.

15. Semana (1997: 49) puts the income of the CNG for 1996 into the $800 million range. However, the reader should take these figures with a grain of salt: not only are they highly speculative, but could also be inflated to achieve certain political objectives.

16. Leal Buitrago (1994) argues that the inefficiency of the military is due to a variety of factors, both institutional and political, including corruption. Although the military enjoyed a fair amount of autonomy in its responsibility for public order and managing counterinsurgency up until 1991, it proved unable to defeat the CGN. In that year, a new constitution redefined the relationship between the military and civilian authority in favor of the latter. The 1991 constitution reduced the lattitude of the military even further in response to the increasing political importance of human rights issues. The military and their political supporters, however, complain about the difficulty of having to conduct a war under the scrutiny of human rights organizations. 17. This is consistent with the observation by Kenneth Waltz (1979: 102128) regarding the relative stability of bipolar international systems. In the 340 municipalities of the country with the highest rates of violence (homicide, assassination and kidnapping) or demonstrations of armed conflict, some 187 are characterized by the presence of guerrilla groups, 7 by the presence of paramilitary groups, and 45 are marked by the presence of both. An additional category is provided by a situation in which all 3 elements - i.e., guerrilla, military, and paramilitary forces - are not only present, but

have links to drug traffickers.

18. According to Colombia's Presidential Advisory Office for National Defense and Security, the CGN is said to charge the drug traffickers for each plane it succeeds in shooting down.

19. Anti-government strikes took place in El Caqueta in the latter part of 1996 to protest the fumigation, demonstrating the strong support which guerrillas enjoy among sectors of the small coca growers (author interview with a member of the Follow-Up Committee, formed by the peasants in the wake of the El Caqueta demonstrations; in Bogota; 24 January 1997). 20. Author interview with a peasant previously involved on drug plantations; in Bogota; August 1995. Plantations of coca and other illicit plants are not part of Colombian tradition, as is the case with Bolivia and Peru. Thus, peasants in Colombia are conscious of the stigma attached to such activity, but make a rational decision to become involved in production based on economic considerations and market forces (see also Molano,1992: 211). Molano argues that coca provides the colonos with opportunities, either to acquire the wherewithal for making a transition into cattle raising or commercial farming - or, perhaps, simply to avoid ruin.

21. Leal Buitrago reported that, between 1984 and 1991, defense expenditures fluctuated: from 2.9% in 1984, to 2.8% in each of the next 3 years (1985, 1986 and 1988). rising to 3.0%, 3.1% and 3.2% for 1988, 1989 and 1990, respectively; and, finally, dropping back to 2.9% of the GDP in 1991. However, the Stockholm International Peace Research Institute reported a different set of figures: that Colombia spent 1.8% of GDP on defense in 1980, which rose to

2.36% in 1990 (SIPRI,1991). The difference between the two estimates can be accounted for by the fact that Leal Buitrago added the total expenditures for defense to those allocated for security (police). 22. This figure was obtained from Javier Torres (1995), who worked on the budget for the defense department during his tenure as Chairman of the Division of Justice at the National Planning Department. 23. The Military Forces General Command has announced a plan to expand its forces in 1997, via creation of one new brigade plus 8 battalions, for an anticipated increase of 3500 men (El Tiempo, 1997).

24. The military's autonomy in being responsible for public order had grown, inexorably, in the wake of the strikes of 1977; following the "Integral War" of President Gaviria (1990-1994), it began to grow again (Leal Buitrago, 1994 and 1995: 56). Under the old doctrine of national security, the military has maintained a persistent institutional interest in being able to exercise the widest possible lattitude in managing public order. The older generation of commanders, in particular, manifested very little alteration in their long-held beliefs regarding the mission of the military, beliefs which had guided their promotions, benefits, and for which they had even died. 25. The last Minister of Defense who was a civilian was Jorge Leyva, in 1953, but even his appointment lasted only a few hours before he was ousted by the Rojas Pinilla coup d'etat. Rojas Pinilla introduced Decree No. 1469, by which General Gustavo Berrio was appointed Minister of Defense, thus establishing a tradition that then endured for 4 decades (Pizarro Leongomez, 1995: 196).

26. The Presidential Council for Defense and Security is designed to aid the president in formulating defense policies. This is in addition to the creation of a National Security Council, whose primary goal is to coordinate the functions of all military and security organizations (Leal Buitrago, 1994: 130147).

27. La Uribe had been a major guerrilla base before being overrun by the military in the 1980s. At the time of the peace negotiations, the CNG demanded that the military withdraw from the municipality while the negotiations were in progress.

28. For example, the British Petroleum Exploration, which discovered the country's largest oil reserves, has signed a 3-year agreement with the Ministry of Defense (valued at $54-CO million) to create a battalion of 150 officers and 500 soldiers to protect the production sites. In the meantime, another company - Oxy Colombia, a subsidiary of Occidental Petroleum - is creating two platoons, totaling 80 soldiers, to protect its oil fields at Cano Limon; its security bill will increase from $3.8 million this year to almost $7 million

next year (Mercer, 1996). Paradoxically, the oil companies have also

contributed funds to the CGN, either directly or through subcontracts with its business enterprises. These kinds of arrangements offer a glimpse into some of the complexities that characterize the war system, particularly the permeability of its boundaries.

29. Author interview with an official of Colombia's Superintendency of Security, whose function it is to supervise private security groups; administratively, this superintendency falls under the direction of the Ministry of Defense. 30. For example, Prosecutor-General Orlando Vasquez pointed out, in a 1995 report, that 6 members of the public force were under investigation on charges of illicit enrichment (El Tiempo, 1995b). 31. These figures are based on estimates of the number of hectares planted to poppies, coca, and marihuana which were compiled by Sergio Uribe (1995). The final calculation of the number of persons engaged in this economy is that of the author.

32. The incidence of poverty in urban areas has been calculated at 36%, a figure that rises as high as 65% for rural areas. 33. Montenegro and Posada believe "that more wealth generates more criminality." However, in my opinion, it is not wealth itself that is the major factor but, rather, the concentration of wealth that contributes to more criminality, an aspect they chose to ignore.

34. According to a report in El Tiempo (1995f), more than 50% of the kidnappings in Colombia are carried out by gangs. 35. In this report, El Tiempo indicates the growth of a black market in weapons. According to figures compiled by the National Police, it has been estimated that more than 4 million weapons are in the hands of Colombia's civilian population; of these weapons, only 25% are registered or owned by persons with permission to carry them (Pizarro Leongomez, 1995: 204). 36. By the mid-1970s, in Medellin alone, some 5,000 young people were organized into an estimated 200 gangs (Salazar, 1994). 37. Mike Davis highlights the political economy of gangs - like the Crips and the Bloods - in Los Angeles (California), in which he argues that it is the endemic unemployment in the inner city that has prompted youth in the Watts area to sell drugs. To the extent that this is indeed the motivation, it represents rational behavior that corresponds to neoclassical theory of utility-maximizing economic behavior. Similarly, the spiralling growth of juvenile gangs in most of Colombia's major studies can be understood as a form of employment, in light of the decline in opportunities offered by the other sectors (Davis,1992: 309). 38. In Santafe de Bogota, the percentages of crimes committed by juveniles against economic targets (mainly robberies) between 1992 and 1994

show that this type of crime ranks first; when compared with other types of juvenile crime, the differential proportion was 35% in favor of the former. In the case of adults, economic crimes increased in the 1980s (Giner Garcia, 1994). This is consistent with crimes in other cities such as Cali (Camacho Guizado and Guzman Barner, 1990: 95-98).

39. This figure includes: 5% for the narcotraffic (based on an estimated $ 3 billion income); 3.6% for the military (excluding security agencies); 0.5% for the guerrillas; and 2.2% for gangs. The 12.3% does not include, however, any traffic in contraband arms and munitions, nor expenses associated with the emerald mafia.

40. This figure includes the number of persons (calculated on the basis of families of four people) who benefit directly or indirectly from the business of war: 60,000 with the guerrilla movement (CGN); 300,000 with illicit products; 300,000 with private security groups or agencies; 800,000 of the armed forces, as well as about 400,000 persons who benefit from criminal activities. These figures do not include members of paramilitary organizations, hired assassins, sicarios, intelligence agents, and others.

41. This figure is an approximation of the numbers of individuals who benefit from the war economy directly; this includes not only the armed forces, but also those sectors with links to the guerrillas, the drug traffic and/or common crime.

42. LeGrand's article shows how large landholders employed violence in order to add to their properties. Along these lines, past violence, then exercised by the dominant classes, forms the historical background of the contemporary violence so prevalent today.

43. The Association of Small Industries in Risaralda revealed that about 150 small and medium-sized textile factories closed down, while some 300 others have suffered severe losses over the last few years, leading to layoffs and unemployment. This is in addition to about 14 municipalities of Risaralda that depend on coffee crops, and which are already suffering from the decline in world prices and production (El Espectador, 1996).

44. During the first six months of 1995, in Necocli alone (which is located north of Uraba), it was reported that more than 1307 families were displaced, 130 peasants died violently, and 125 "disappeared" (El Tiempo,1995a). Also in Necocli, cattle ranches (many belonging to drug traffickers) have continued to expand, infringing on terrain formerly the province of small peasants, who are gradually being pushed to the point of extinction, a process that is often accompanied by violence.

45. For a detailed discussion of the ability of the political system to generate economic development, see Hartlyn (1988).

46. In less than 10 years, more than 3,000 opposition leaders, trade union leaders, and cadres have been assassinated by paramilitary forces and sicarios. This is in addition to the "disappearances" of several hundred others. 47. This observation is based on my interviews with the leaders of the following interest groups:Asociacion Bancaria de Colombia (ASOBANCARIA), Association for Exporters (ANALDEX),Asociacion delnstitud ones Financieras (AMF), and the Asoctad6n Nacional de Industriales (ANDI), which were carried out in August 1995. The presidents of these groups all favored taking a hard line (or mano duro) against guerrillas and common criminals, a position that is consistent with traditional attitudes taken by dominant economic groups towards using violence as a tool in promoting capitalist development (Saenz Rovner, 1992).

48. In discussing the relationship between crime and economic growth, Montenegro and Posada raise the issue as to whether, after violence exceeds a certain level (called the level compatible with the maximum rate of economic growth), the multiplication of crime works to slow the development of social production through its effect on investment and savings.

49. In my interviews with representatives of some of the most important economic groups in the country (see footnote 47 above), I did not find a dissenting voice among them.

50. In August 1996, the CGN demonstrated an impressive military capability by coordinating an offensive against the military base at Las Delicias (Putumayo), in which more than 60 soldiers were taken prisoners. Such successes reduce the incentive to pursue a negotiated settlement, particularly when the other party is not willing to pay a high price for peace. 51. Zar<man discusses the situation whereby comfortable stalemate leads to protracted civil war.

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